

Representative Melissa G. Ballard proposes the following substitute bill:

CLEAN AIR HEAVY EQUIPMENT TAX CREDIT

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melissa G. Ballard

Senate Sponsor: David P. Hinkins

LONG TITLE

General Description:

This bill provides incentives for the purchase of certain low emissions heavy equipment.

Highlighted Provisions:

This bill:

- defines terms;
- provides a corporate and an individual nonrefundable tax credit for the purchase of certain low emissions heavy equipment;
- authorizes the Utah Inland Port Authority to provide a grant to a person who qualifies for the tax credit;
- requires the director of the Division of Air Quality to provide an annual report regarding the tax credits;
- provides a sunset date for the tax credits and grant; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides retrospective operation.



Utah Code Sections Affected:

AMENDS:

11-58-203, as last amended by Laws of Utah 2020, Chapter 126

19-2-107, as last amended by Laws of Utah 2018, Chapter 281

59-7-618.1, as enacted by Laws of Utah 2021, Chapter 371

59-10-1033.1, as enacted by Laws of Utah 2021, Chapter 371

63I-1-211, as last amended by Laws of Utah 2020, Chapter 334

63I-1-219, as last amended by Laws of Utah 2021, Chapter 69

63I-1-259, as last amended by Laws of Utah 2021, Chapters 64 and 371

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **11-58-203** is amended to read:

11-58-203. Policies and objectives of the port authority -- Additional duties of the port authority.

(1) The policies and objectives of the authority are to:

(a) maximize long-term economic benefits to the area, the region, and the state;

(b) maximize the creation of high-quality jobs;

(c) respect and maintain sensitivity to the unique natural environment of areas in proximity to the authority jurisdictional land and land in other authority project areas;

(d) improve air quality and minimize resource use;

(e) respect existing land use and other agreements and arrangements between property owners within the authority jurisdictional land and within other authority project areas and applicable governmental authorities;

(f) promote and encourage development and uses that are compatible with or complement uses in areas in proximity to the authority jurisdictional land or land in other authority project areas;

(g) take advantage of the authority jurisdictional land's strategic location and other features, including the proximity to transportation and other infrastructure and facilities, that make the authority jurisdictional land attractive to:

(i) businesses that engage in regional, national, or international trade; and

(ii) businesses that complement businesses engaged in regional, national, or

international trade;

(h) facilitate the transportation of goods;

(i) coordinate trade-related opportunities to export Utah products nationally and internationally;

(j) support and promote land uses on the authority jurisdictional land and land in other authority project areas that generate economic development, including rural economic development;

(k) establish a project of regional significance;

(l) facilitate an intermodal facility;

(m) support uses of the authority jurisdictional land for inland port uses, including warehousing, light manufacturing, and distribution facilities;

(n) facilitate an increase in trade in the region and in global commerce;

(o) promote the development of facilities that help connect local businesses to potential foreign markets for exporting or that increase foreign direct investment;

(p) encourage all class 5 through 8 designated truck traffic entering the authority jurisdictional land to meet the heavy-duty highway compression-ignition diesel engine and urban bus exhaust emission standards for year 2007 and later; and

(q) encourage the development and use of cost-efficient renewable energy in project areas.

(2) In fulfilling its duties and responsibilities relating to the development of the authority jurisdictional land and land in other authority project areas and to achieve and implement the development policies and objectives under Subsection (1), the authority shall:

(a) work to identify funding sources, including federal, state, and local government funding and private funding, for capital improvement projects in and around the authority jurisdictional land and land in other authority project areas and for an inland port;

(b) review and identify land use and zoning policies and practices to recommend to municipal land use policymakers and administrators that are consistent with and will help to achieve:

(i) the policies and objectives stated in Subsection (1); and

(ii) the mutual goals of the state and local governments that have authority jurisdictional land with their boundaries with respect to the authority jurisdictional land;

(c) consult and coordinate with other applicable governmental entities to improve and enhance transportation and other infrastructure and facilities in order to maximize the potential of the authority jurisdictional land to attract, retain, and service users who will help maximize the long-term economic benefit to the state; and

(d) pursue policies that the board determines are designed to avoid or minimize negative environmental impacts of development.

(3) (a) The authority may use property tax differential and other authority money to encourage, incentivize, or require development that:

(i) mitigates noise, air pollution, light pollution, surface and groundwater pollution, and other negative environmental impacts;

(ii) mitigates traffic congestion; or

(iii) uses high efficiency building construction and operation.

(b) (i) In consultation with the municipality in which development is expected to occur, the authority shall establish minimum mitigation and environmental standards that a landowner is required to meet to qualify for the use of property tax differential in the landowner's development.

(ii) The authority may not use property tax differential for a landowner's development in a project area unless the minimum mitigation and environmental standards are followed with respect to that landowner's development.

(c) The authority may develop and implement world-class, state-of-the-art, zero-emissions logistics that support continued growth of the state's economy in order to:

(i) promote the state as the global center of efficient and sustainable supply chain logistics;

(ii) facilitate the efficient movement of goods on roads and rails and through the air;

(iii) benefit the commercial viability of developers, landowners, and tenants and users;

and

(iv) attract capital and expertise in pursuit of the next generation of logistics solutions.

(4) (a) Subject to the provisions of this chapter and policies adopted by the authority, in accordance with this Subsection (4), the authority may provide grants for the purchase of qualified heavy equipment as defined in Section [59-7-618.1](#) or [59-10-1033.1](#).

(b) Upon application, the authority may provide a grant to a person who:

- 119 (i) makes a qualified purchase as defined in Section [59-7-618.1](#) or [59-10-1033.1](#); and
120 (ii) obtains a tax credit certificate as defined in Section [59-7-618.1](#) or [59-10-1033.1](#).
121 (c) The amount of a grant provided under this subsection may not exceed the amount
122 of the tax credit for which the person qualifies under Section [59-7-618.1](#) or [59-10-1033.1](#).

123 Section 2. Section **19-2-107** is amended to read:

124 **19-2-107. Director -- Appointment -- Powers.**

125 (1) The executive director shall appoint the director. The director shall serve under the
126 administrative direction of the executive director.

127 (2) (a) The director shall:

128 (i) prepare and develop comprehensive plans for the prevention, abatement, and control
129 of air pollution in Utah;

130 (ii) advise, consult, and cooperate with other agencies of the state, the federal
131 government, other states and interstate agencies, and affected groups, political subdivisions,
132 and industries in furtherance of the purposes of this chapter;

133 (iii) review plans, specifications, or other data relative to air pollution control
134 equipment or any part of the air pollution control equipment;

135 (iv) under the direction of the executive director, represent the state in all matters
136 relating to interstate air pollution, including interstate compacts and similar agreements;

137 (v) secure necessary scientific, technical, administrative, and operational services,
138 including laboratory facilities, by contract or otherwise;

139 (vi) encourage voluntary cooperation by persons and affected groups to achieve the
140 purposes of this chapter;

141 (vii) encourage local units of government to handle air pollution within their respective
142 jurisdictions on a cooperative basis and provide technical and consulting assistance to them;

143 (viii) determine by means of field studies and sampling the degree of air contamination
144 and air pollution in all parts of the state;

145 (ix) monitor the effects of the emission of air pollutants from motor vehicles on the
146 quality of the outdoor atmosphere in all parts of Utah and take appropriate responsive action;

147 (x) collect and disseminate information relating to air contamination and air pollution
148 and conduct educational and training programs relating to air contamination and air pollution;

149 (xi) assess and collect noncompliance penalties as required in Section 120 of the

federal Clean Air Act, 42 U.S.C. Section 7420;

(xii) comply with the requirements of federal air pollution laws;

(xiii) subject to the provisions of this chapter, enforce rules through the issuance of orders, including:

(A) prohibiting or abating discharges of wastes affecting ambient air;

(B) requiring the construction of new control facilities or any parts of new control facilities or the modification, extension, or alteration of existing control facilities or any parts of new control facilities; or

(C) adopting other remedial measures to prevent, control, or abate air pollution; ~~and~~

(xiv) as authorized by the board and subject to the provisions of this chapter, act as executive secretary of the board under the direction of the chairman of the board[-]; and

(xv) beginning in 2023, annually submit before October 1 a written report to the Revenue and Taxation Interim Committee regarding the tax credits available under Sections 59-7-618.1 and 59-10-1033.1, including:

(A) the total value of the tax credit certificates the director issued during the preceding year;

(B) the best available control technology standard; and

(C) any legislative recommendations.

(b) The director may:

(i) employ full-time, temporary, part-time, and contract employees necessary to carry out this chapter;

(ii) subject to the provisions of this chapter, authorize an employee or representative of the department to enter at reasonable times and upon reasonable notice in or upon public or private property for the purposes of inspecting and investigating conditions and plant records concerning possible air pollution;

(iii) encourage, participate in, or conduct studies, investigations, research, and demonstrations relating to air pollution and its causes, effects, prevention, abatement, and control, as advisable and necessary for the discharge of duties assigned under this chapter, including the establishment of inventories of pollution sources;

(iv) collect and disseminate information relating to air pollution and the prevention, control, and abatement of it;

(v) cooperate with studies and research relating to air pollution and its control, abatement, and prevention;

(vi) subject to Subsection (3), upon request, consult concerning the following with a person proposing to construct, install, or otherwise acquire an air pollutant source in Utah:

(A) the efficacy of proposed air pollution control equipment for the source; or

(B) the air pollution problem that may be related to the source;

(vii) accept, receive, and administer grants or other funds or gifts from public and private agencies, including the federal government, for the purpose of carrying out any of the functions of this chapter;

(viii) subject to Subsection 19-2-104(3)(b)(i), settle or compromise a civil action initiated by the division to compel compliance with this chapter or the rules made under this chapter; or

(ix) subject to the provisions of this chapter, exercise all incidental powers necessary to carry out the purposes of this chapter, including certification to state or federal authorities for tax purposes that air pollution control equipment has been certified in conformity with Title 19, Chapter 12, Pollution Control Act.

(3) A consultation described in Subsection (2)(b)(vi) does not relieve a person from the requirements of this chapter, the rules adopted under this chapter, or any other provision of law.

Section 3. Section 59-7-618.1 is amended to read:

59-7-618.1. Clean air heavy equipment tax credit.

(1) As used in this section:

(a) "Best available control technology standard" means an emissions limitation that:

(i) is based on the maximum degree of reduction that is achievable for each pollutant, taking into account energy, environmental, and economic impacts and other costs;

(ii) exceeds the most stringent applicable emissions standard adopted by the United States Environmental Protection Agency; and

(iii) is established annually by board rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

~~[(a)]~~ (b) "Board" means the Air Quality Board created under Title 19, Chapter 2, Air Conservation Act.

212 ~~[(b)]~~ (c) "Director" means the director of the Division of Air Quality appointed under
213 Section 19-2-107.

214 ~~[(c) "Heavy duty vehicle" means a commercial category 7 or 8 vehicle, according to~~
215 ~~vehicle classifications established by the Federal Highway Administration.]~~

216 ~~[(d) "Natural gas" includes compressed natural gas and liquified natural gas.]~~

217 ~~[(e) "Qualified heavy duty vehicle" means a heavy duty vehicle that:]~~

218 ~~[(i) has never been titled or registered and has been driven less than 7,500 miles; and]~~

219 ~~[(ii) is fueled by natural gas, has a 100% electric drivetrain, or has a hydrogen-electric~~
220 ~~drivetrain.]~~

221 (d) (i) "Heavy equipment" means:

222 (A) self-propelled, self-powered, or pull-type equipment or machinery used primarily
223 for commercial or industrial purposes; or

224 (B) an engine used for equipment or machinery described in Subsection (1)(d)(i)(A).

225 (ii) "Heavy equipment" does not include a category 1 or 2 vehicle, as categorized
226 according to the vehicle classifications established by the Federal Highway Administration.

227 (e) "Qualified heavy equipment" means heavy equipment that satisfies the best
228 available control technology standard.

229 (f) "Qualified purchase" means the purchase of [a-qualified heavy duty vehicle.]
230 qualified heavy equipment that:

231 (i) has never been titled or registered; or

232 (ii) if the heavy equipment is not required to be titled or registered, was not previously
233 sold to another end user.

234 (g) "Qualified taxpayer" means a taxpayer that:

235 ~~[(i) purchases a qualified heavy duty vehicle; and]~~

236 (i) makes a qualified purchase; and

237 (ii) receives a tax credit certificate from the director.

238 ~~[(h) "Small fleet" means 40 or fewer heavy duty vehicles registered in the state and~~
239 ~~owned by a single taxpayer.]~~

240 ~~[(i)]~~ (h) "Tax credit certificate" means a certificate issued by the director certifying that
241 a taxpayer is entitled to a tax credit as provided in this section and stating the amount of the tax
242 credit.

~~[(2) A qualified taxpayer may claim a nonrefundable tax credit against tax otherwise due under this chapter or Chapter 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax Act:]~~

~~[(a) in an amount equal to:]~~

~~[(i) \$15,000, if the qualified purchase occurs during calendar year 2021;]~~

~~[(ii) \$13,500, if the qualified purchase occurs during calendar year 2022;]~~

~~[(iii) \$12,000, if the qualified purchase occurs during calendar year 2023;]~~

~~[(iv) \$10,500, if the qualified purchase occurs during calendar year 2024;]~~

~~[(v) \$9,000, if the qualified purchase occurs during calendar year 2025;]~~

~~[(vi) \$7,500, if the qualified purchase occurs during calendar year 2026;]~~

~~[(vii) \$6,000, if the qualified purchase occurs during calendar year 2027;]~~

~~[(viii) \$4,500, if the qualified purchase occurs during calendar year 2028;]~~

~~[(ix) \$3,000, if the qualified purchase occurs during calendar year 2029; and]~~

~~[(x) \$1,500, if the qualified purchase occurs during calendar year 2030; and]~~

~~[(b) if the qualified taxpayer certifies under oath that over 50% of the miles that the heavy duty vehicle that is the subject of the qualified purchase will travel annually will be within the state.]~~

~~[(3) (a) Except as provided in Subsection (3)(b), a taxpayer may not submit an application for, and the director may not issue to the taxpayer, a tax credit certificate under this section in any taxable year for a qualified purchase if the director has already issued tax credit certificates to the taxpayer for 10 qualified purchases in the same taxable year.]~~

~~[(b) If, by May 1 of any year, more than 30% of the aggregate annual total amount of tax credits under Subsection (5) has not been claimed, a taxpayer may submit an application for, and the director may issue to the taxpayer, one or more tax credit certificates for up to eight additional qualified purchases, even if the director has already issued to that taxpayer tax credit certificates for the maximum number of qualified purchases allowed under Subsection (3)(a).]~~

~~[(4) (a) Subject to Subsection (4)(b), the director shall reserve 25% of all tax credits available under this section for qualified taxpayers with a small fleet.]~~

~~[(b) Subsection (4)(a) does not prevent a taxpayer from submitting an application for, or the director from issuing, a tax credit certificate if, before October 1, qualified taxpayers with a small fleet have not reserved under Subsection (5)(b) tax credits for the full amount~~

reserved under Subsection (4)(a).]

~~[(5) (a) The aggregate annual total amount of tax credits represented by tax credit certificates that the director issues under this section and Section 59-10-1033.1 may not exceed \$500,000.]~~

~~[(b) The board shall, in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, make rules to establish a process under which a taxpayer may reserve a potential tax credit under this section for a limited time to allow the taxpayer to make a qualified purchase with the assurance that the aggregate limit under Subsection (5)(a) will not be met before the taxpayer is able to submit an application for a tax credit certificate.]~~

(2) For a taxable year beginning on or after January 1, 2022, and before January 1, 2031, a qualified taxpayer may claim a nonrefundable tax credit against tax otherwise due under this chapter or Chapter 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax Act:

(a) in an amount equal to 20% of the purchase price of a qualified purchase; and

(b) if the qualified taxpayer certifies under oath that:

(i) the qualified heavy equipment will be used in the state; or

(ii) if the qualified equipment is a motor vehicle as defined in Section 41-1a-102, over 50% of the miles that the qualified heavy equipment will travel annually will be within the state.

(3) The aggregate annual total amount of tax credits represented by tax credit certificates that the director issues under this section and Section 59-10-1033.1 may not exceed \$500,000.

~~[(6)]~~ (4) (a) (i) A taxpayer wishing to claim a tax credit under this section shall, using forms the board requires by rule:

(A) submit to the director an application for a tax credit;

(B) provide the director proof of a qualified purchase, including the purchase price; and

(C) submit to the director the certification under oath required under Subsection (2)(b).

(ii) Upon receiving the application, proof, and certification required under Subsection ~~[(6)]~~ (4)(a)(i), the director shall provide the taxpayer a written statement from the director acknowledging receipt of the proof.

(b) If the director determines that a taxpayer qualifies for a tax credit under this section,

the director shall:

(i) determine the amount of tax credit the taxpayer is allowed under this section; and

(ii) provide the taxpayer with a written tax credit certificate:

(A) stating that the taxpayer has qualified for a tax credit; and

(B) showing the amount of tax credit for which the taxpayer has qualified under this section.

(c) A qualified taxpayer shall retain the tax credit certificate.

(d) The director shall at least annually submit to the commission a list of all qualified taxpayers to which the director has issued a tax credit certificate and the amount of each tax credit represented by the tax credit certificates.

~~[(7)]~~ (5) The tax credit under this section is allowed only:

(a) against a tax owed under this chapter or Chapter 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax Act, in the taxable year by the qualified taxpayer;

(b) for the taxable year in which the qualified purchase occurs; and

(c) ~~[once per vehicle]~~ once per piece of heavy equipment.

~~[(8)]~~ (6) A qualified taxpayer may not assign a tax credit or a tax credit certificate under this section to another person.

~~[(9)]~~ (7) If the qualified taxpayer receives a tax credit certificate under this section that allows a tax credit in an amount that exceeds the qualified taxpayer's tax liability under this chapter or Chapter 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax Act, for a taxable year, the qualified taxpayer may carry forward the amount of the tax credit that exceeds the tax liability for a period that does not exceed the next five taxable years.

Section 4. Section **59-10-1033.1** is amended to read:

59-10-1033.1. Clean air heavy equipment tax credit.

(1) As used in this section:

(a) "Best available control technology standard" means an emissions limitation that:

(i) is based on the maximum degree of reduction that is achievable for each pollutant, taking into account energy, environmental, and economic impacts and other costs;

(ii) exceeds the most stringent applicable emissions standard adopted by the United

336 States Environmental Protection Agency; and

337 (iii) is established annually by board rule made in accordance with Title 63G, Chapter
338 3, Utah Administrative Rulemaking Act.

339 ~~[(a)]~~ (b) "Board" means the Air Quality Board created under Title 19, Chapter 2, Air
340 Conservation Act.

341 ~~[(b)]~~ (c) "Director" means the director of the Division of Air Quality appointed under
342 Section 19-2-107.

343 ~~[(c) "Heavy duty vehicle" means a commercial category 7 or 8 vehicle, according to~~
344 ~~vehicle classifications established by the Federal Highway Administration.]~~

345 ~~[(d) "Natural gas" includes compressed natural gas and liquified natural gas.]~~

346 ~~[(e) "Qualified heavy duty vehicle" means a heavy duty vehicle that:]~~

347 ~~[(i) has never been titled or registered and has been driven less than 7,500 miles; and]~~

348 ~~[(ii) is fueled by natural gas, has a 100% electric drivetrain, or has a hydrogen-electric~~
349 ~~drivetrain.]~~

350 (d) (i) "Heavy equipment" means:

351 (A) self-propelled, self-powered, or pull-type equipment or machinery used primarily
352 for commercial or industrial purposes; or

353 (B) an engine used for equipment or machinery described in Subsection (1)(d)(i)(A).

354 (ii) "Heavy equipment" does not include a category 1 or 2 vehicle, as categorized
355 according to the vehicle classifications established by the Federal Highway Administration.

356 (e) "Qualified heavy equipment" means heavy equipment that satisfies the best
357 available control technology standard.

358 (f) "Qualified purchase" means the purchase of ~~[a qualified heavy duty vehicle.]~~
359 qualified heavy equipment that:

360 (i) has never been titled or registered; or

361 (ii) if the heavy equipment is not required to be titled or registered, was not previously
362 sold to another end user.

363 (g) "Qualified taxpayer" means a claimant, estate, or trust that:

364 ~~[(i) purchases a qualified heavy duty vehicle; and]~~

365 (i) makes a qualified purchase; and

366 (ii) receives a tax credit certificate from the director.

367 ~~[(h) "Small fleet" means 40 or fewer heavy duty vehicles registered in the state and~~
368 ~~owned by a single claimant, estate, or trust.]~~

369 ~~[(i)]~~ (h) "Tax credit certificate" means a certificate issued by the director certifying that
370 a claimant, estate, or trust is entitled to a tax credit as provided in this section and stating the
371 amount of the tax credit.

372 ~~[(2) A qualified taxpayer may claim a nonrefundable tax credit against tax otherwise~~
373 ~~due under this chapter:]~~

374 ~~[(a) in an amount equal to:]~~

375 ~~[(i) \$15,000, if the qualified purchase occurs during calendar year 2021;]~~

376 ~~[(ii) \$13,500, if the qualified purchase occurs during calendar year 2022;]~~

377 ~~[(iii) \$12,000, if the qualified purchase occurs during calendar year 2023;]~~

378 ~~[(iv) \$10,500, if the qualified purchase occurs during calendar year 2024;]~~

379 ~~[(v) \$9,000, if the qualified purchase occurs during calendar year 2025;]~~

380 ~~[(vi) \$7,500, if the qualified purchase occurs during calendar year 2026;]~~

381 ~~[(vii) \$6,000, if the qualified purchase occurs during calendar year 2027;]~~

382 ~~[(viii) \$4,500, if the qualified purchase occurs during calendar year 2028;]~~

383 ~~[(ix) \$3,000, if the qualified purchase occurs during calendar year 2029; and]~~

384 ~~[(x) \$1,500, if the qualified purchase occurs during calendar year 2030; and]~~

385 ~~[(b) if the qualified taxpayer certifies under oath that over 50% of the miles that the~~
386 ~~heavy duty vehicle that is the subject of the qualified purchase will travel annually will be~~
387 ~~within the state.]~~

388 ~~[(3) (a) Except as provided in Subsection (3)(b), a claimant, estate, or trust may not~~
389 ~~submit an application for, and the director may not issue to the claimant, estate, or trust, a tax~~
390 ~~credit certificate under this section in any taxable year for a qualified purchase if the director~~
391 ~~has already issued tax credit certificates to the claimant, estate, or trust for 10 qualified~~
392 ~~purchases in the same taxable year.]~~

393 ~~[(b) If, by May 1 of any year, more than 30% of the aggregate annual total amount of~~
394 ~~tax credits under Subsection (5) has not been claimed, a claimant, estate, or trust may submit~~
395 ~~an application for, and the director may issue to the claimant, estate, or trust, one or more tax~~
396 ~~credit certificates for up to eight additional qualified purchases, even if the director has already~~
397 ~~issued to that claimant, estate, or trust tax credit certificates for the maximum number of~~

398 ~~qualified purchases allowed under Subsection (3)(a).]~~

399 ~~[(4)(a) Subject to Subsection (4)(b), the director shall reserve 25% of all tax credits~~
400 ~~available under this section for qualified taxpayers with a small fleet.]~~

401 ~~[(b) Subsection (4)(a) does not prevent a claimant, estate, or trust from submitting an~~
402 ~~application for, or the director from issuing, a tax credit certificate if, before October 1,~~
403 ~~qualified taxpayers with a small fleet have not reserved under Subsection (5)(b) tax credits for~~
404 ~~the full amount reserved under Subsection (4)(a).]~~

405 ~~[(5)(a) The aggregate annual total amount of tax credits represented by tax credit~~
406 ~~certificates that the director issues under this section and Section [59-7-618.1](#) may not exceed~~
407 ~~\$500,000.]~~

408 ~~[(b) The board shall, in accordance with Title 63G, Chapter 3, Utah Administrative~~
409 ~~Rulemaking Act, make rules to establish a process under which a claimant, estate, or trust may~~
410 ~~reserve a potential tax credit under this section for a limited time to allow the claimant, estate,~~
411 ~~or trust to make a qualified purchase with the assurance that the aggregate limit under~~
412 ~~Subsection (5)(a) will not be met before the claimant, estate, or trust is able to submit an~~
413 ~~application for a tax credit certificate.]~~

414 (2) For a taxable year beginning on or after January 1, 2022, and before January 1,
415 2031, a qualified taxpayer may claim a nonrefundable tax credit against tax otherwise due
416 under this chapter:

417 (a) in an amount equal to 20% of the purchase price of a qualified purchase; and

418 (b) if the qualified taxpayer certifies under oath that:

419 (i) the qualified heavy equipment will be used in the state; or

420 (ii) if the qualified equipment is a motor vehicle as defined in Section [41-1a-102](#), over
421 50% of the miles that the qualified heavy equipment will travel annually will be within the
422 state.

423 (3) The aggregate annual total amount of tax credits represented by tax credit
424 certificates that the director issues under this section and Section [59-10-1033.1](#) may not exceed
425 \$500,000.

426 ~~[(6)]~~ (4) (a) (i) A claimant, estate, or trust wishing to claim a tax credit under this
427 section shall, using forms the board requires by rule:

428 (A) submit to the director an application for a tax credit;

(B) provide the director proof of a qualified purchase, including the purchase price; and

(C) submit to the director the certification under oath required under Subsection (2)(b).

(ii) Upon receiving the application, proof, and certification required under Subsection ~~[(6)]~~ (4)(a)(i), the director shall provide the claimant, estate, or trust a written statement from the director acknowledging receipt of the proof.

(b) If the director determines that a claimant, estate, or trust qualifies for a tax credit under this section, the director shall:

(i) determine the amount of tax credit the claimant, estate, or trust is allowed under this section; and

(ii) provide the claimant, estate, or trust with a written tax credit certificate:

(A) stating that the claimant, estate, or trust has qualified for a tax credit; and

(B) showing the amount of tax credit for which the claimant, estate, or trust has qualified under this section.

(c) A qualified taxpayer shall retain the tax credit certificate.

(d) The director shall at least annually submit to the commission a list of all qualified taxpayers to which the director has issued a tax credit certificate and the amount of each tax credit represented by the tax credit certificates.

~~[(7)]~~ (5) The tax credit under this section is allowed only:

(a) against a tax owed under this chapter in the taxable year by the qualified taxpayer;

(b) for the taxable year in which the qualified purchase occurs; and

(c) ~~[once per vehicle]~~ once per piece of heavy equipment.

~~[(8)]~~ (6) A qualified taxpayer may not assign a tax credit or a tax credit certificate under this section to another person.

~~[(9)]~~ (7) If the qualified taxpayer receives a tax credit certificate under this section that allows a tax credit in an amount that exceeds the qualified taxpayer's tax liability under this chapter for a taxable year, the qualified taxpayer may carry forward the amount of the tax credit that exceeds the tax liability for a period that does not exceed the next five taxable years.

Section 5. Section **63I-1-211** is amended to read:

63I-1-211. Repeal dates, Title 11.

(1) Subsection [11-58-203\(4\)](#), which authorizes the Utah Inland Port Authority to provide grants for the purchase of certain heavy equipment, is repealed July 1, 2031.

(2) Title 11, Chapter 59, Point of the Mountain State Land Authority Act, is repealed January 1, 2029.

Section 6. Section **63I-1-219** is amended to read:

63I-1-219. Repeal dates, Title 19.

(1) Title 19, Chapter 2, Air Conservation Act, is repealed July 1, 2029.

(2) Subsection 19-2-107(2)(a)(xv), which describes an annual report to the Revenue and Taxation Interim Committee, is repealed January 1, 2031.

~~[(2)]~~ (3) Section 19-2a-102 is repealed July 1, 2026.

~~[(3)]~~ (4) Section 19-2a-104 is repealed July 1, 2022.

~~[(4)]~~ (5) Title 19, Chapter 4, Safe Drinking Water Act, is repealed July 1, 2024.

~~[(5)]~~ (6) Title 19, Chapter 5, Water Quality Act, is repealed July 1, 2029.

~~[(6)]~~ (7) Title 19, Chapter 6, Part 1, Solid and Hazardous Waste Act, is repealed July 1, 2029.

~~[(7)]~~ (8) Title 19, Chapter 6, Part 3, Hazardous Substances Mitigation Act, is repealed July 1, 2030.

~~[(8)]~~ (9) Title 19, Chapter 6, Part 4, Underground Storage Tank Act, is repealed July 1, 2028.

~~[(9)]~~ (10) Title 19, Chapter 6, Part 6, Lead Acid Battery Disposal, is repealed July 1, 2026.

~~[(10)]~~ (11) Title 19, Chapter 6, Part 7, Used Oil Management Act, is repealed July 1, 2029.

~~[(11)]~~ (12) Title 19, Chapter 6, Part 8, Waste Tire Recycling Act, is repealed July 1, 2030.

~~[(12)]~~ (13) Title 19, Chapter 6, Part 10, Mercury Switch Removal Act, is repealed July 1, 2027.

Section 7. Section **63I-1-259** is amended to read:

63I-1-259. Repeal dates, Title 59.

(1) Section 59-1-213.1 is repealed on May 9, 2024.

(2) Section 59-1-213.2 is repealed on May 9, 2024.

(3) Subsection 59-1-405(1)(g) is repealed on May 9, 2024.

(4) Subsection 59-1-405(2)(b) is repealed on May 9, 2024.

- 491 (5) Section 59-7-618.1 is repealed July 1, [2029] 2031.
- 492 (6) Section 59-9-102.5 is repealed December 31, 2030.
- 493 (7) Section 59-10-1033.1 is repealed July 1, [2029] 2031.
- 494 (8) Title 59, Chapter 28, State Transient Room Tax Act, is repealed on January 1,
- 495 2023.
- 496 Section 8. **Retrospective operation.**
- 497 This bill has retrospective operation for a taxable year beginning on or after January 1,
- 498 2022.